

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2013

Legislative Fiscal Note

BILL NUMBER: Senate Bill 136 (Second Edition)

SHORT TITLE: Graham Occupancy Tax Changes.

SPONSOR(S): Senator J. Davis

FISCAL IMPACT						
	<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No		<input type="checkbox"/> No Estimate Available	
Local Impact	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	
Revenues:	\$158,000	\$168,000	\$178,000	\$186,000	\$193,000	
Expenditures:						
NET LOCAL IMPACT	\$158,000	\$168,000	\$178,000	\$186,000	\$193,000	
 PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Graham County						
 EFFECTIVE DATE: This act is effective when it becomes law.						
 TECHNICAL CONSIDERATIONS:						
None						

BILL SUMMARY:

Senate Bill 136 (Second Edition) amends subsection 1(a) of SL 1985-969, as it applies to Graham County, providing that the Graham County Board of Commissioners can adopt a resolution to levy an occupancy tax to 6% (was 3%), subject to the 10 days' public notice and public hearing requirements.

ASSUMPTIONS AND METHODOLOGY:

Currently, Graham County levies a 3% room occupancy tax. Senate Bill 136 (Second Edition) would allow Graham County to levy an additional 3% for a total 6% room occupancy tax. Over the past two years, Graham County collected an average of \$158,000 in occupancy taxes at the current 3% rate. Doubling the room occupancy tax rate from 3% to 6% would therefore double the revenue collected from the tax. The leisure and hospitality portion of North Carolina's gross state product, as forecast by Moody's, was used in growing the estimate.

SOURCES OF DATA: North Carolina Department of State Treasurer; Moody's Analytics

TECHNICAL CONSIDERATIONS: None

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